LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6584 NOTE PREPARED: Dec 15, 2003

BILL NUMBER: HB 1075 BILL AMENDED:

SUBJECT: Seat Belts.

FIRST AUTHOR: Rep. Torr

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

 $\begin{array}{cc} & DEDICATED \\ \underline{X} & FEDERAL \end{array}$

Summary of Legislation: This bill has the following provisions:

- A. It prohibits a passenger motor vehicle from being stopped, inspected, or detained solely to determine compliance with the law concerning seat belt use by front seat occupants who are at least 12 years of age.
- B. It provides that failure to comply with the laws concerning seat belt use may: (1) constitute fault under the law concerning compensatory damages and comparative fault; and (2) limit the liability of an insurer.
- C. It allows failure to comply with the laws concerning seat belt use to be admitted in civil actions to mitigate damages.
- D. It repeals: (1) conflicting laws concerning stopping, inspecting, or detaining vehicles to determine compliance with seat belt laws; and (2) a provision specifying that failure to comply with the law concerning passenger restraint systems for children does not constitute contributory negligence.

Effective Date: July 1, 2004.

Explanation of State Revenues: The total revenue loss is estimated to be \$5.58 M. The estimated revenue loss would come from both federal grant monies that the state currently receives (\$2.7 M) and from infraction judgments that are deposited in the state General Fund (\$2.88 M).

Background: With some exceptions, under current law it is a Class D infraction for a person who is a front seat occupant of a passenger motor vehicle to not have a safety belt properly fastened about the occupant's body at all times when the vehicle is in forward motion (IC 9-19-10-2 and 9-19-10-6). Also under current law, law enforcement officers may stop a car to determine if a driver is complying with this law. As proposed, it would still be a Class D infraction to drive without a seat belt, but law enforcement officers would not be

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permitted to pull a driver over to determine whether the front passenger occupants are wearing seat belts.

By federal standards, Indiana has a "primary seat belt law because law enforcement agencies can stop a car if the officer reasonably suspects that an occupant is not wearing a seat belt as a primary reason. In states with secondary seat belt laws, a motorist can only be ticketed for being unbuckled if pulled over for another reason.

Federal Revenues: The state currently receives \$2.7 M in federal grant monies from the U.S. Department of Transportation.

- The state receives \$1.6 M because Indiana has a primary seat belt enforcement law. This money can be used for any activity in the in the area of occupant protection.
- The state has also received \$1.1 M for additional incentive monies because of the relatively high percentage of seat belt users. This money can be used for in any area of traffic safety.

By repealing the primary seat belt law, the state would not be eligible for these grants.

State Revenue: Under current law, it is a Class D infraction to not wear a seat belt when operating a vehicle. The maximum judgement for a Class D infraction is \$25. If law enforcement agencies may no longer stop a car simply because the occupants in the car do not have a car seat, it is likely that fewer citations will be written and revenue from infraction judgements will decline. The percentage of citations that occur because a law enforcement officer stopped a car simply because of the primary seat belt law is not known. However, because the number of citations issued has increased substantially since the primary seat belt law was enacted makes it likely that the majority of seat belt citations have occurred because of this law.

The primary seat belt law passed in 1998, and a Supreme Court decision upholding the statute was issued in 1999. Assuming that the annual number of citations issued would decline to the four-year average between 1996 and 1999 from the four-year average of citations issued between 2000 and 2003, the potential revenue loss to the state General Fund from fewer infractions would be \$2.88 M.

Calendar Year	1996	1997	1998	1999	2000	2001	2002	2003 (est.)
GuiltyCitations Issued	40,523	32,498	38,962	28,719	79,688	233,886	134,534	153,386
Infractions Revenue in Millions at \$25 per Citation	\$1.01	\$0.81	\$0.97	\$0.72	\$1.99	\$5.85	\$3.36	\$3.83
Average Revenue in Million \$	\$0.88				\$3.76			
Difference in Million \$	(\$2.88)							
Note: CV 2003 estimates are based on eleven months of data								

Explanation of Local Expenditures:

Explanation of Local Revenues:

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State Agencies Affected: Indiana State Police.

Local Agencies Affected: Local Law Enforcement Agencies.

<u>Information Sources:</u> Bureau of Motor Vehicles, Indiana Code.

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